Author Index

Allayannis, G. Exposure and Markups 805

Allayannis, G. The Use of Foreign Currency Derivatives and Firm Market Value 243

Alvarez, F. Quantitative Asset Pricing Implications of Endogenous Solvency Constraints 1117

Basak, S. Value-at-Risk-Based Risk Management: Optimal Policies and Asset Prices 371

Boot, A. W. A. The Many Faces of Information Disclosure 1021

Brennan, M. J. Assessing Asset Pricing Anomalies 905

Buraschi, A. The Price of a Smile: Hedging and Spanning in Option Markets 495

Dammon, R. M. Optimal Consumption and Investment with Capital Gains Taxes 583

Dimson, E. Book Review: Financial Markets and Corporate Finance: Selected Papers of Michael J. Brennan 307

Dumas, B. Global Diversification, Growth, and Welfare with Imperfectly Integrated Markets for Goods 277

Franks, J. Ownership and Control of German Corporations 943

Fung, W. The Risk in Hedge Fund Strategies: Theory and Evidence from Trend Followers 313

Garmaise, M. Rational Beliefs and Security Design 1183

George, T. J. Information Flow and Pricing Errors: A Unified Approach to Estimation and Testing 979

Gervais, S. Learning to be Overconfident 1

Glasserman, P. *See* **Jin** 187

Griffin, J. M. International Competition and Exchange Rate Shocks: A Cross-Country Industry Analysis of Stock Returns 215

Grundy, B. D. Understanding the Nature of the Risks and the Source of the Rewards to Momentum Investing 29

Habib, M. A. Underpricing and Entrepreneurial Wealth Losses in IPOs: Theory and Evidence 433

Hsieh, D. A. *See* **Fung** 313

Huberman, G. Familiarity Breeds Investment 659

Hwang, C.-Y. *See* **George** 979

Ihrig, J. *See* **Allayannis** 805

Jackwerth, J. *See* **Buraschi** 495

Jermann, U. J. *See* **Alvarez** 1117

Jin, Y. Equilibrium Positive Interest Rates: A Unified View 187

Jouini, E. Efficient Trading Strategies in the Presence of Market Frictions 343

Kallal, H. *See* **Jouini** 343

Kavajecz, K. A. An Examination of Changes in Specialists' Posted Price Schedules 681

Lakonishok, J. Are Insider Trades Informative? 79

Lambrecht, B. M. The Impact of Debt Financing on Entry and Exit in a Duopoly 765

Lamont, O. Financial Constraints and Stock Returns 529

Lee, I. *See* **Lakonishok** 79

Li, Y. Expected Returns and Habit Persistence 861

Ljungqvist, A. P. *See* **Habib** 433

Longstaff, F. A. Optimal Portfolio Choice and the Valuation of Illiquid Securities 407

Longstaff, F. A. Valuing American Options by Simulation: A Simple Least-Squares Approach 113

Ma, T. Book Review: Efficient Asset Management: A Practical Guide to Stock Portfolio Optimization and Asset Allocation 901

Maksimovic, V. Technological Innovation and Initial Public Offerings 459

Martin, J. S. *See* **Grundy** 29

Mayer, C. *See* **Franks** 943

McDonald, R. L. Cross-Border Investing with Tax Arbitrage: The Case of German Dividend Tax Credits 617

Nayak, S. Disentangling the Dividend Information in Splits: A Decomposition Using Conditional Event-Study Methods 1083

Odean, T. *See* **Gervais** 1

Odders-White, E. R. *See* **Kavajecz** 681

Palia, D. The Endogeneity of Managerial Compensation in Firm Valuation: A Solution 735

Pichler, P. *See* **Maksimovic** 459

Pinkowitz, L. Bank Power and Cash Holdings: Evidence from Japan 1059

Polk, C. *See* **Lamont** 529

Prabhala, N. R. *See* **Nayak** 1083

Saá-Requejo, J. *See* **Lamont** 529

Saar, G. Price Impact Asymmetry of Block Trades: An Institutional Trading Explanation 1153

Sandås, P. Adverse Selection and Competitive Market Making: Empirical Evidence from a Limit Order Market 705

Santa-Clara, P. The Dynamics of the Forward Interest Rate Curve with Stochastic String Shocks 149

Schwartz, E. S. *See* **Longstaff** 113

Shapiro, A. *See* **Basak** 371

Smith, W. T. How Does the Spirit of Capitalism Affect Stock Market Prices? 1215

Sornette, D. *See* **Santa-Clara** 149

Spatt, C. S. *See* **Dammon** 583

Stulz, R. M. *See* **Griffin** 215

Thakor, A. Book Review: Comparing Financial Systems 577

Thakor, A. V. *See* **Boot** 1021

Uppal, R. *See* **Dumas** 277

Weston, J. P. *See* **Allayannis** 243

Williamson, R. G. *See* **Pinkowitz** 1059

Wu, G. The Determinants of Asymmetric Volatility 837

Xia, Y *See* **Brennan** 905

Zhang, H. H. *See* **Dammon** 583

Zhou, C. An Analysis of Default Correlations and Multiple Defaults 555

Title Index

Adverse Selection and Competitive Market Making: Empirical Evidence from a Limit Order Market
Patrik Sandås 705

An Analysis of Default Correlations and Multiple Defaults
Chunsheng Zhou 555

Are Insider Trades Informative?
Josef Lakonishok and Inmoo Lee 79

Assessing Asset Pricing Anomalies
Michael J. Brennan and Yihong Xia 905

Bank Power and Cash Holdings: Evidence from Japan
Lee Pinkowitz and Rohan G. Williamson 1059

Book Review: Comparing Financial Systems
Reviewed by Anjan Thakor 577

Book Review: Efficient Asset Management: A Practical Guide to Stock Portfolio Optimization and Asset Allocation
Reviewed by Tongshu Ma 901

Book Review: Financial Markets and Corporate Finance: Selected Papers of Michael J. Brennan
Reviewed by Elroy Dimson 307

Cross-Border Investing with Tax Arbitrage: The Case of German Dividend Tax Credits
Robert L. McDonald 617

The Determinants of Asymmetric Volatility
Guojun Wu 837

Disentangling the Dividend Information in Splits: A Decomposition Using Conditional Event-Study Methods
Subhankar Nayak and Nagpurnanand R. Prabhala 1083

The Dynamics of the Forward Interest Rate Curve with Stochastic String Shocks
Pedro Santa-Clara and Didier Sornette 149

Efficient Trading Strategies in the Presence of Market Frictions
Elyès Jouini and Hédi Kallal 343

The Endogeneity of Managerial Compensation in Firm Valuation: A Solution
Darius Palia 735

Equilibrium Positive Interest Rates: A Unified View
Yan Jin and Paul Glasserman 187

An Examination of Changes in Specialists' Posted Price Schedules
Kenneth A. Kavajecz and Elizabeth R. Odders-White 681

Expected Returns and Habit Persistence
Yuming Li 861

Exposure and Markups
George Allayannis and Jane Ihrig 805

Familiarity Breeds Investment
Gur Huberman 659

Financial Constraints and Stock Returns
Owen Lamont, Christopher Polk, and Jesús Saá-Requejo 529

Global Diversification, Growth, and Welfare with Imperfectly Integrated Markets for Goods
Bernard Dumas and Raman Uppal 277

How Does the Spirit of Capitalism Affect Stock Market Prices?
William T. Smith 1215

The Impact of Debt Financing on Entry and Exit in a Duopoly
Bart M. Lambrecht 765

Information Flow and Pricing Errors: A Unified Approach to Estimation and Testing
Thomas J. George and Chuan-Yang Hwang 979

International Competition and Exchange Rate Shocks: A Cross-Country Industry Analysis of Stock Returns
John M. Griffin and René M. Stulz 215

Learning to Be Overconfident
Simon Gervais and Terrance Odean 1

The Many Faces of Information Disclosure
Arnoud W. A. Boot and Anjan V. Thakor 1021

Optimal Consumption and Investment with Capital Gains Taxes
Robert M. Dammon, Chester S. Spatt, and Harold H. Zhang 583

Optimal Portfolio Choice and the Valuation of Illiquid Securities
Francis A. Longstaff 407

Ownership and Control of German Corporations
Julian Franks and Colin Mayer 943

Price Impact Asymmetry of Block Trades: An Institutional Trading Explanation
Gideon Saar 1153

The Price of a Smile: Hedging and Spanning in Option Markets
Andrea Buraschi and Jens Jackwerth 495

Quantitative Asset Pricing Implications of Endogenous Solvency Constraints
Fernando Alvarez and Urban J. Jermann 1117

Rational Beliefs and Security Design
Mark Garmaise 1183

The Risk in Hedge Fund Strategies: Theory and Evidence from Trend Followers
William Fung and David A. Hsieh 313

Technological Innovation and Initial Public Offerings
Vojislav Maksimovic and Pegaret Pichler 459

Underpricing and Entrepreneurial Wealth Losses in IPOs: Theory and Evidence
Michel A. Habib and Alexander P. Ljungqvist 433

Understanding the Nature of the Risks and the Source of the Rewards to Momentum Investing
Bruce D. Grundy and J. Spencer Martin 29

The Use of Foreign Currency Derivatives and Firm Market Value
George Allayannis and James P. Weston 243

Value-at-Risk-Based Risk Management: Optimal Policies and Asset Prices
Suleyman Basak and Alexander Shapiro 371

Valuing American Options by Simulation: A Simple Least-Squares Approach
Francis A. Longstaff and Eduardo S. Schwartz 113